1 Introduction

Objects of the study

The main objective of the study was to provide an assessment of business users' attitudes and preferences relating to hotels within a framework of business demand for hotel services and amenities. Where possible, these attitudes and preferences were to be assessed against a background of the price that business users and their employers were willing to pay for the services and amenities.

The more detailed objectives may be summarised as follows:

1 To estimate the current size of the hotel market by price range of hotel; location, and economic planning region.

2 To forecast the future business user demand for hotel services and amenities.

3 To examine the attitude of business users to hotel services and amenities and to provide information on the extent to which their requirements in 1967 were satisfied. Preferences for certain types of accommodation, where these differed from those actually used were to be probed in the light of financial and/or other limitations affecting business users choice of hotels. The study was also to seek to establish whether business users* preferences were based on the overall standards of different categories of hotel or upon particular facilities or services which may, or may not be specifically related to that category of hotel. The importance of companies influencing the choice of hotel by the business user was to be assessed.

4 To establish the price business users were prepared to pay, or were able to pay, for hotel accommodation and services and to determine the method by which hotels price their services and amenites.

Scope of the study

The scope of the study was restricted to hotels as defined by the Board of Trade in their Catering Inquiry in 1964. All the hotels included were licensed hotels. Industrial Market Research were able to assess the extent to which the 1964 catering inquiry frame was out of date in 1967. They sent postal questionnaires to 16,600 establishments. From the responses to this questionnaire IMR adjusted the Catering Inquiry frame so as to provide as accurate a universe fot grossing-up purposes as was possible in the circumstances.

Statistical exercises were carried out to check the accuracy of the patterning of the responses. These checks yielded consistent results.

*A business user of hotels is defined, for the purposes of this report, as a person staying in a hotel in the course of a journey for which the sole or major reason for travel is the pursuance of his or her work or employment.

Further details on the methods used and the response rates obtained are contained in appendices A and B.

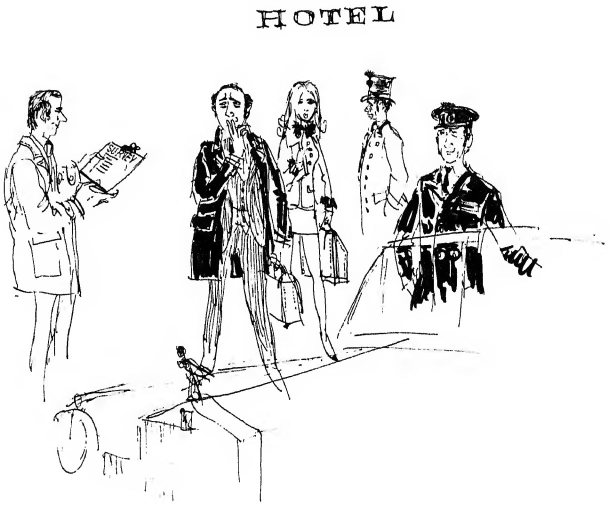
Organisation of the work

The work involved in the study was divided into three main operations.

Firstly some 580 personal interviews were completed with individual business users, companies, associations and organisations whose personnel use hotels in the course of their work or who had corporate requirements for hotel services. These interviews also included those conducted with hotel management and individual establishments and group headquarters. There were also a number of interviews with other persons specially well informed about the travel and hotel industry.

Secondly there was a self-completion questionnaire for individual business users of hotels which was left in the rooms of 100 selected hotels.

Thirdly there was a large-scale postal survey of some 16,600 establishments.



2 Summary

The market for hotel accommodation in 1967

Capacity

The total nightly capacity of licensed hotels in GB in 1967 is estimated at 455,000 bedspaces.

The bulk of hotel capacity was in hotels of less than 50s per night in seaside and country locations. Hotels of more than 50s per night showed a greater than average concentration in towns.

Demand

The total demand for licensed accommodation is estimated at 90 million bednights – an annual average bed occupancy of 54 per cent. Business demand is estimated at a total of 30 million bednights. This represents 18 per cent of total available capacity and 33 per cent of total demand. GB (domestic) business travellers were estimated to account for 25 million bednights and overseas business visitors for 5 million bednights.

Business demand for hotel accommodation showed a significantly greater than average concentration in towns. More than three-quarters of all business bednights were spent in London* and provincial towns compared to about half of total bednights spent by all types of visitor in these locations.

Business travellers were also found to show a greater than average propensity to stay in the higher-priced hotels.

Occupancy

London hotels were found to have the highest bed occupancy rates in all price ranges. Provincial towns achieved better occupancies than seaside or country areas.

The research suggested that a high level of business demand promotes higher occupancies than high level of tourist demand but that the best occupancies are achieved in areas which achieve a balance between business and tourism.

Value in £ terms

The value of the total market for hotel services and amenities in 1967 is estimated at £335 million. This is divided into its main constituents as follows:

	£m
Sales of accommodation	117
Sales of food	107
Sales of drink	101
Other income	10
Total	335

*For the purposes of the study, London is defined as the area known as Greater London and encompasses the counties of London, and Middlesex, and such parts of Essex, Hertfordshire, Kent, and Surrey as come under the administrative responsibility of the Greater London Council.

Profile of the business traveller

The business demand for accommodation was characterised by a relatively small number of travellers making frequent journeys of short duration. It is estimated that the average business traveller makes 29 journeys per year of an average duration of 3 days.

The sales representative occupation group accounted for 44 per cent of total business demand for hotel accommodation.

The great majority of business users stated that they preferred hotels situated in town centres.

Analysis of business demand by price range of hotel revealed that the majority of business users of hotels in the under 30s and 30s to 49s 11d price categories were sales representatives, installation/service engineers, junior executives and others of similar or lower job status. The director and executive/managerial occupation groups generated the majority of demand for hotels in the 70s and above price range.

The majority of business travellers spent 16s to 30s per night on hotel meals (other than breakfast) and 6s to 15s per night on drink.

The business market for conference/exhibition facilities

It is estimated that approximately 100,000 business meetings and conferences and 20,000 trade and sales shows and exhibitions were held in British hotels in 1967.

The great majority of conferences and meetings were small and of short duration. Approximately 12,000 meetings (12 per cent) involved more than 50 persons. More than three-quarters of all meetings and conferences lasted for a day or part of a day. However, the average duration of conferences of more than 50 persons was found to be 3 days.

The research indicated a shortage, particularly outside London, of function accommodation for the larger national and international conferences and social functions.

The future market

The level of business demand for hotel accommodation in Britain is forecast to grow from approximately 30 million bednights in 1967 to 39 million bednights in 1975 and to 46 million bednights in 1980. This represents an annual average growth of approximately 3½ per cent per annum.

Overall growth in demand will be faster for hotels in the above 70s and 50s to 69s 11d categories of hotel than establishments in the two cheaper price ranges. By 1975, 58 per cent of business demand is forecast to be for hotels in the two higher price ranges compared with 50 per cent in 1967.

The distribution of demand by location type is expected to remain stable up to 1975. In absolute terms, however, the bulk of the increase forecast in demand will accrue to London and provincial towns.

If the 1967 ratio of business bednights to total demand is maintained, a total of 98,000 additional bedspaces will be required by 1975.

Users' attitudes and practices

Hotel bookings for business users are mostly made by the user himself or by secretaries in the user's own company or organisation.

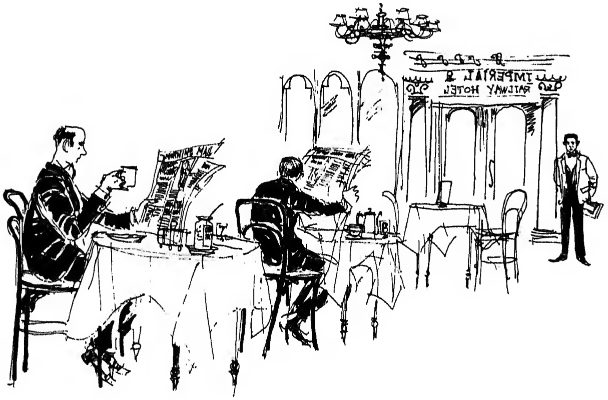
Business users usually book accommodation at short notice. Almost one-third of users are normally able to give 3 days or shorter notice of requirements.

Most business users have no fixed limits as such to the price per night they can pay in hotels but in practice an unofficial code of practice is operated by users to

determine the amount spent per night in hotels which is acceptable to their company.

The decision-making factors governing choice of hotel change with knowledge of available supply. Where such knowledge does not exist, users base decisions on indicators of the probable standard of hotels such as guide book ratings and guide book information on number of rooms, principal amenities and price. The importance of intangible or subjective factors such as comfort, friendliness, quietness and standard of cuisine, plays an increasingly important role as more detailed knowledge of hotels is developed.

Critical user requirements for hotel amenities and services (other than a bedroom and basic equipment) are few.



3 The market for hotel accommodation

Tables and charts illustrating the seasonal and weekly patterns of demand for accommodation can be found in appendices C and D.

The total nightly capacity of the licensed hotels covered in this study of the UK is estimated at 455,000 bedspaces[1] in 1967. This figure includes the bedspaces in seasonal hotels.

Note: Throughout this book, totals may not agree with the sum of individual items due to rounding.

Table 1 Estimated nightly capacity of hotels*/by price range† 1967

Price per night ‡	*Bedspaces ('000)*
Over 70s	33
50s to 69s 11d	97
30s to 49s 11d	257
Under 30s	68
Total	455

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
†All prices quoted in this report are 1967 prices unless otherwise stated.
‡For a single room and breakfast
Source: Industrial Market Research Ltd.

Table 2 Estimated nightly capacity of hotels*/by location type 1967

Location type	*Bedspaces ('000)*
Towns of over 100,000 population	73
Towns of under 100,000 population	62
Country and rural	105
Seaside resorts	163
London	52
Total	455

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

[1] A single bed counts as one bedspace, a double bed as two bedspaces.

The percentage distribution of responding hotels in each price range according to location, shown in table 3, demonstrates that London and large provincial towns commanded the highest prices for hotel accommodation and seaside resorts the lowest prices. Fifty-eight per cent of establishments in the 70s and above price category were in London and major provincial towns, compared with 27 per cent of establishments in the 50s to 69s 11d price category, 11 per cent in the 30s to 49s 11d price category and less than 5 per cent of hotels under 30s per night.

Table 3 Percentage distribution of hotels* in each price range/by location type 1967

Location type	*Under 30s* %	*30s – 49s 11d* %	*50s – 69s 11d* %	*Over 70s* %
Towns over 100,000	4	8	19	32
Towns under 100,000	9	14	29	16
London	1	3	8	26
Country	26	38	23	19
Seaside	60	37	21	7
Total	100	100	100	100

*Definition based on 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

The research further showed that the higher-priced hotels are also the largest. Table 4 shows that 64 per cent of hotels in the 70s and above category had more than 100 rooms compared with just over 5 per cent in the 30s to 49s 11d price range of hotels and less than 1 per cent of hotels in the cheapest price category.

Table 4 Percentage distribution of hotels* in each price range/by size of hotel 1967

Price per night	*0 – 20 beds* %	*21 – 50 beds* %	*51 – 100 beds* %	*101 – 200 beds* %	*201+ beds* %	*Total* %
Over 70s	6	12	17	34	30	100
50s to 69s 11d	11	32	31	22	4	100
30s to 49s 11d	32	47	16	5	1	100
Under 30s	53	41	5	1	1	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

The demand for hotel accommodation

The total demand for licensed accommodation is estimated at 90 million bednights; the business demand at 30 million bednights.

British (domestic) business travellers are estimated to account for 25 million bednights and overseas visitors for 5 million bednights.

Table 5 shows the estimated breakdown of the total demand for hotel accommodation in the UK in 1967 by type of visitor.

Table 5 Hotel* demand by type of visitor (overseas or UK origin 1967)

Type of visitor	*Origin*	*Bednights (millions rounded)*	
Tourist/holidaymaker	United Kingdom	43	
	Overseas	9	
			52
Business traveller	United Kingdom	25	
	Overseas	5	
			30
Others	United Kingdom	5	
	Overseas	3	
			8
Total			90

*Definition based on 1964 BOT Catering inquiry; 9,000 licensed hotels.
Source: International Passenger Survey. Industrial Market Research Ltd.

The figures in table 6 suggest that the main determinant of occupancy would appear to be location rather than price.

Table 6 Total average annual bed occupancy of hotels* in the UK 1967 analysed by price range and location type

Price per night	*Towns over 100,000 population* %	*Towns under 100,000 population* %	*Country and rural* %	*Seaside resorts* %	*London* %
70s and above	56	61	44	54	77
50s to 69s 11d	61	62	57	52	76
30s to 49s 11d	65	63	49	44	71
Under 30s	80	65	36	41	72

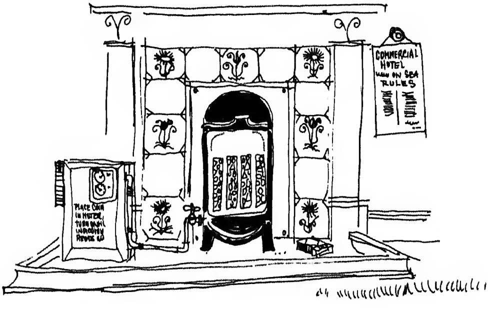
*Definition based on 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 7 shows that business travellers accounted for a substantially higher proportion of total demand in towns than in seaside locations. London and provincial towns accounted for more than three-quarters of business demand compared with just over one-half of total demand.

Table 7 Percentage of total occupied hotel* bednights occupied by the business market in GB analysed by location 1967

Location type	*Total available bednights (million)*	*Total occupied bednights (million)*	*Total business† bednights (million)*	*Total occupied bednights as a percentage of total available bednights %*	*Total business bednights as a percentage of total occupied bednights %*
Towns of more than 100,000 population	27	17	11	64	65
Towns of under 100,000 population	23	14	7	63	46
Country and rural	38	18	4	47	23
Seaside resorts	60	26	3	44	10
London	19	14	5	74	38
Total	167	90	30	54	33

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
†For the sake of brevity and clarity, bednights spent by business travellers will be referred to in this report as business bednights.
Source: Industrial Market Research Ltd.
Note: Totals may not agree with the sum of individual items due to rounding.



Analysis of demand by price range of hotel, shown in table 8 indicates that hotels in the two higher-price categories had higher average occupancy rates than establishments in the two cheaper categories. Furthermore, business travellers accounted for a higher proportion of bednights in the two higher-priced categories of hotel than in cheaper categories.

Table 8 The business market for hotel* accommodation in GB analysed by price range of hotel

Price per night	*1967* Total available bednights (million)	Total occupied bednights (million)	Total business bednights (million)	Total occupied bednights as a percentage of total available bednights %	Total business bednights as a percentage of total occupied bednights %
70s and above	12	8	5	66	56
50s to 69s 11d	35	23	11	64	48
30s to 49s 11d	94	49	13	52	27
Under 30s	25	10	1	41	12
Total	167	90	30	54	33

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 9 Hotel* bednights spent by business travellers in GB as a percentage of total bednights analysed by price range and location type

Price per night	*Location type* Towns over 100,000 population %	Towns under 100,000 population %	Seaside resorts %	Country and rural %	London %
70s and above	74	61	18	27	56
50s to 69s 11d	79	55	25	54	43
30s to 49s 11d	70	56	13	30	33
Under 30s	35	31	16	18	14

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Notwithstanding the effect of the differing distribution of capacity in each price range between the location types, the research indicated that (see table 9) business travellers have a higher than average propensity to stay in the higher-priced hotels. Fifty-two per cent of all business bednights in 1967 is estimated to have been spent in hotels of 50s per night or more compared with 35 per cent of total bednights.

Tables and charts illustrating the seasonal and weekly patterns of demand for accommodation can be found in appendices C and D.

The value of the market for accommodation

The value of the total market for hotel services and amenities in the UK in 1967 (including sales of food to non-residents, sales of alcoholic drink and other items) is estimated at £335 million. Sales of accommodation and residents' food are estimated at £174.3 million – 52 per cent of total sales. Table 10 shows the estimated breakdown of total sales into accommodation, food, drink and other items.

Table 10 Estimated breakdown of hotel* revenue 1967

Sales breakdown	*£ m*	*%*
Accommodation	117	35
Residents' food	57	17
Non-residents' food	50	15
Drink	101	30
Other items	10	3
Total	335	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 11 shows the percentage breakdown of hotel revenue analysed by price category of hotel.

Table 11 Percentage breakdown of hotel* revenue/analysed by price range

Sales breakdown	*70s and above %*	*50s to 69s 11d %*	*30s to 49s 11d %*	*Under 30s %*
Accommodation	43	36	33	38
Residents' food	15	18	17	17
Non-residents' food	18	17	14	12
Drink	20	25	34	31
Other items	4	4	2	2
Total	100	100	100	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

4 Profile of the business traveller

This profile is of the domestic business traveller. The business market for hotel accommodation is characterised by a relatively small number of business travellers making frequent journeys of short duration. It is estimated that the total of 25 million bednights spent in hotels in 1967 by domestic business travellers in Britain comprised 7,819,000 business journeys made by 269,000 business travellers. The average business traveller made 29 journeys and spent 93 nights in hotels. This is an average of just over 3 nights in a hotel per journey.

Table 12 An estimate of business demand for hotel* accommodation by occupation group of business traveller in 1967

Occupation Group	*Number of business travellers ('000)*	*Number of business trips ('000)*	*Average number of business trips per year*	*Number of nights spent in hotels ('000)*	*Average number of nights spent in hotels per year*
Director	40	1,048	26	3,250	81
Executive/ managerial	73	1,964	27	5,500	75
Professional/ consultant	11	256	23	1,000	91
Technical	28	764	27	2,750	98
Sales representative	104	3,438	33	11,000	106
Other	13	349	27	1,500	115
Total	269	7,819	29	25,000	93

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

The average number of nights spent away per journey was calculated from the questionnaires left in hotels for completion by business visitors and by personal interviews with business travellers. The estimated total of 25 million bednights was then divided as the occupational grouping of the travellers on the basis of the census survey and personal interviews. Allowance was made for variations in the average numbers and duration of journeys.

The purpose of his journey

A lower percentage of total journeys by the professional/consultant occupation category were to visit commercial and industrial enterprises than in the other occupation categories, although visits to these enterprises were as might be expected the most important reason for journeys by all groups. On the other hand visits to non-commercial institutions comprised a significantly high proportion of total journeys made by this category of traveller. This could be explained since the professional/consultant group includes teachers, lecturers, doctors, lawyers, architects and others whose business travel may primarily be to institutions outside the field of industry and commerce, such as schools, universities, hospitals, law courts, local authority and central government offices.

Table 13 Business journeys analysed by purpose of journey and occupation category of traveller 1967

Occupational group	*Visits to industrial and commercial enterprises* %	*Visits to non-comercial institutions* %	*Conferences* %	*Exhibitions* %	*Total* %
Director	73	5	10	12	100
Executive/ managerial	71	7	17	5	100
Professional/ consultant	66	20	10	4	100
Technical	71	9	16	4	100
Sales representative	79	5	10	6	100

Source: Industrial Market Research Ltd.

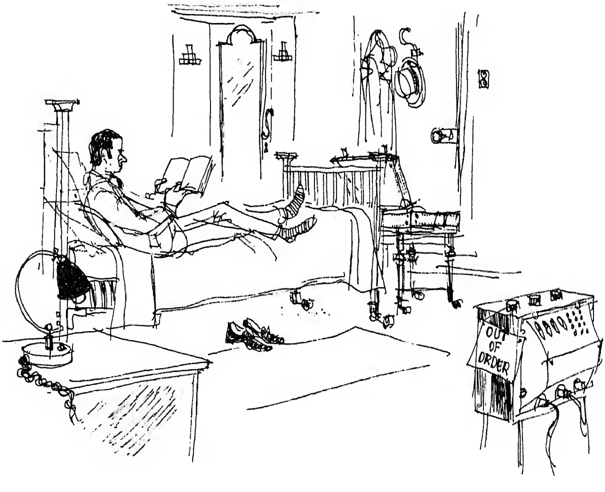
Travel method

The most commonly used form of transport by business travellers for the major part of their journey was the private car. The respondents have been listed according to the form of transport stated by them to be the most frequently used, although the majority did, of course, use other forms of transport on particular journeys. Table 14 shows that the professional/consultant occupation category made significantly lower than average use of the private car for business trips in 1967.

Table 14 Mode of travel most frequently used by business travellers 1967

Mode of travel	*Director* %	*Executive/ managerial* %	*Professional/ consultant* %	*Technical* %	*Sales representative* %	*Others* %
Road	56	58	47	63	88	56
Rail	22	25	36	20	7	32
Air	22	17	17	17	5	12
Total	100	100	100	100	100	100

Source: Industrial Market Research Ltd.



Where he travelled

The distribution of business journeys within each occupation category by area of origin and destination is shown in table 15. This, as might be expected, reflects the pattern of geographical distribution of industrial activity and, to a lesser extent, population density.

Table 15 Distribution of business journeys made by each occupation category by area of origin and destination of business journeys 1967.

Occupational group	*South West* %	*South Central* %	*London and South East* %	*East Anglia* %	*Midlands and Wales* %	*North West* %	*North East* %	*Scotland* %	*Total* %
Director	5	5	39	4	17	12	8	10	100
Executive/ managerial	8	6	32	3	18	16	10	6	100
Professional/ consultant	6	5	53	4	11	8	8	6	100
Technical	8	9	29	1	15	14	14	10	100
Sales representative	6	12	20	6	16	8	6	9	100
Other	6	12	24	6	16	8	6	22	100

Source: Industrial Market Research Ltd.

Prices paid

The research found that the significant variations in the composition of demand by occupation group between the different price categories of hotels, naturally tended to reflect difference in job status. But there was also variation in the hotel expenses allowed by individual companies. The majority of business travellers using hotels in the 30s to 49s 11d category and under 30s category were found to be sales representatives, installation/service engineers, junior executives and others of similar or lower job status. In the 50s to 69s 11d and above 70s price categories the majority of business demand was generated in the executive/managerial staff and director categories, whilst sales representatives and others comprised only a small proportion of the demand.

Table 16 has been constructed to show what the report suggested would be a typical composition of demand by occupation category for each price category of hotel. The table should not be taken as an accurate breakdown of the total number of bednights spent in each category of hotel by each occupation group but rather as a general indication of the result of the survey.

Table 16 Composition of demand for each price category of hotel* by occupation group of traveller 1967

Occupational group	*Price range of hotel* Under 30s %	30s to 49s 11d %	50s to 69s 11d %	Over 70s %
Director Executive/managerial	10	22	40	65
Professional/consultant	2	3	5	6
Technical	11	12	13	10
Sales representative/ Engineer	65	57	37	15
Other	12	6	5	5
Total	100	100	100	100

*Definition based on the 1964 BOT Catering Enquiry: 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

How site influenced choice

The location of hotels within any given destination area preferred or used by business travellers was found in most cases to be affected by particular considerations such as nearness to industry or business to be visited, the availability of rooms, (especially for journeys made at short notice) and the type of hotel required. In general however the pattern of hotel usage by business travellers in all the occupation categories displayed a strong preference for, and a high utilisation of, hotels in town centre locations. The preference by occupation category for town centre locations was found from questionnaires and personal interviews to be 78 per cent in the case of the director category; 75 per cent and 80 per cent in the case of the executive/managerial and professional/consultant categories respectively.

Table 17 Location of hotels* preferred or normally used by the business respondents

Occupational group	*Town centre* %	*Town periphery/ Suburbs* %	*County* %	*Total* %
Director	78	16	6	100
Executive/managerial	75	20	5	100
Professional/consultant	80	12	8	100
Technical	61	32	7	100
Sales representative	57	38	5	100
Other	81	14	5	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Reasearch Ltd.

Most respondents said that the principal reasons for preferring hotels in the town centre were ease of accessibility of the hotel to arrival point, and accessibility to final business destination. For travellers arriving by rail or by air, hotels in town centres usually involved only by a short journey from the station or air terminal; a factor of considerable importance to travellers arriving late at night. The lower proportion of travellers in the technical and sales representative categories relative to the other groups, in town centre hotels, reflects the fact that compared with the other groups, more technical and sales representatives used the private car for business trips. For car travellers, hotels in the suburbs are as accessible on arrival as centrally located hotels, and do not involve the motorist in heavy traffic or unfamiliar road-schemes in the large cities. Further, parking facilities are generally better in off-centre hotels.

There is one other factor of importance. The better quality hotels in the higher-priced categories (50s to 69s 11d and 70s and above in 1967) have traditionally been sited in the centre of towns rather than on the outskirts. This has resulted in many business travellers today still expecting such hotels to be always in the town centres. For this reason, their stated preference for town centre locations was to a significant extent a reflection of the expected quality of the hotel room rather than a preference for town centre locations as such. The high rates achieved in motels situated near towns and of a price and standard similar to the higher-priced hotels in town centres supports this view. It suggests that travellers' declared preference for town centre locations would be changed by a greater supply of hotels or motels outside the town centres of a standard acceptable to the users of the higher-priced hotels.

Accommodation expense allowances

There would appear to be 'no-limits' on the expenditure of directors and senior management. Interviews with companies showed that expenditure per night of £6 was normal and expenditure up to £10 per night was not uncommon for these groups. For middle management expenditure up to £4 per night was found to be commonly acceptable. Companies varied widely in their attitudes to the expenditure by their sales representatives. To some extent this is due to the fact that the category of sales representative embraces a wide variety of personnel with differing degrees of training qualifications and skills. In the majority of companies interviewed, it emerged that an expenditure of 50s to 60s per night was acceptable, although more than a quarter of the companies considered that an expenditure of 70s to 80s was reasonable.

Control of expenditure

The survey shows that expenditure was generally left to the discretion and common sense of business travellers but in practice a rule of thumb or unofficial code was operated by most business travellers to determine what would prove acceptable to their companies. This code was based on past experience of the company practices and the attitude to individual hotels expressed by the company in relation to its differing grades of personnel. Further it appeared that this discretionary code was to some extent exercised by secretaries, receptionists and others in companies who are responsible for booking accommodation for travelling business personnel. It was generally accepted company practice for all expense claims except those for the most senior personnel to be countersigned by his or her superior.

Method of payment

The majority of all the business travellers and companies interviewed usually settled their hotel bills directly by cheque or cash payment. The growth of credit cards and cheque cards had clearly brought about an increasing incidence of payment by cheque.

A number of companies and organisations were found to hold accounts at one or more hotel groups frequently used by their company's personnel. It appears this practice is falling into disfavour and accounts are being closed. Companies were forced to hold ledger accounts mainly for entertainment and business/conference meetings and activities, but they preferred the individual to settle the overnight accommodation bills directly himself.

Choice and booking

The majority of hotel bookings for business travellers were found to have been made either by themselves or by their secretaries. A small number of the very large public corporations, were found to maintain travel departments, part of whose function was to book hotel accommodation for company personnel. The survey revealed however that these departments were most widely used for travel outside Britain and were not generally used by company personnel to book hotel accommodation inside Britain. Similarly the survey found that travel agency companies were used infrequently by the larger companies, and their services were reserved exclusively to arrange company personnel's travel overseas.

Again as expected the survey revealed that on average the bookings made by business travellers were made at short notice; ie only 30 per cent were able to give 3 or more days' notice of accommodation requirements. In this particular instance there was no discernible difference between occupation categories. Interviews with individual companies suggested however that the sales representatives are often in a position to give more than 7 days' notice of their hotel requirements since their programmes are more often formulated in advance.

Both individual business travellers and respondents in individual companies interviewed, stated that mid-week bookings were more difficult to make at 3 or fewer days' notice in the majority of towns particularly for hotels in the higher price ranges. In the larger towns, and London in the past, the respondents found a recurring difficulty in booking rooms of the desired type of accommodation at less than 7 days' notice. The survey revealed no-one who had been unable to find any form of accommodation, and the occasional inconvenience would seem in general not to have been particularly worrying to the respondents. However, business travellers in the higher job status categories were found to show a greater reluctance to travel if accommodation of the desired standard was not available, and showed less inclination to accept accommodation of a lower standard.

Expenditure on amenities other than accommodation and breakfast

The figures in table 18 are for average expenditure per bednight on services, meals and amenities other than breakfast and the basic accommodation rate.

Table 18 Average expenditure per bednight at hotels* excluding the basic rate for bed + breakfast 1967

Occupational group	*Up to 5s*	*6s to 15s*	*16s to 30s*	*31s to 50s*	*51s to 70s*	*71s to 100s*	*Over 100s*	*Total*
	%	*%*	*%*	*%*	*%*	*%*	*%*	*%*
Director	1	4	43	27	10	8	7	100
Executive/managerial	1	11	59	17	5	4	3	100
Professional/consultant	0	7	64	20	5	4	0	100
Technical	3	15	63	14	2	3	0	100
Sales representative	1	25	58	11	4	1	0	100
Other	2	14	53	18	6	7	0	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Limited.

The survey showed that the general level of expenditure on such items as food (apart from breakfast) and drink increased with job status. This was partly explained by the fact that those with higher job status stayed in hotels with higher room and breakfast rates, who tend to have correspondingly higher priced meals and drinks.

Table 19 Average expenditure per night by business users on drinks in hotels* 1967

Occupational group	*Up to 6s*	*6s*	*16s*	*31s*	*51s*	*71s*	*More than 100s*	*Total*
	%	*%*	*%*	*%*	*%*	*%*	*%*	*%*
Director	11	45	27	7	3	5	4	100
Executive/managerial	22	52	19	4	1	1	1	100
Professional/consultant	22	61	11	2	2	1	0	100
Technical	23	61	11	3	0	0	0	100
Sales representative	36	46	14	4	1	0	0	100
Other	18	48	10	8	8	3	8	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

In all occupation categories the questionnaires and personal interviews recorded showed that expenditure on other items of service was small. The majority of business travellers were found to incur little additional expenditure other than on accommodation, food and drink. The additional expenditure was mainly on telephones, newspapers, room service, laundry and dry-cleaning, garages and car maintenance. The survey showed that the majority of business travellers spend less than 5s per night on these additional services.

How amenities influenced personal choice

Most regular business travellers interviewed were found to have developed a private list of hotels they found suitable in the more frequently visited destinations. These hotels often differed from the standard or type of hotel used in areas where a specific hotel was not known. The majority of factors playing a role in the choice of decision for a hotel would appear to be such items as friendliness of staff, quietness, cleanliness, decor, size of room and standard of cuisine.

The majority of travellers interviewed stated that personal recommendation was favoured in preference to published guides which many felt provided a poor indication of the hotels true worth.

Where no direct or personal knowledge of a hotel existed, then the general standard of the hotels was assessed from guide books on the assumption that the standard of the hotel and its service and amenities increased in relation to its price or guide-book rating. The most commonly used printed sources of information on hotels were the various well-known guides.

About a third of the respondents mentioned their company's files as a source of their information. But on investigation few companies were found to maintain a comprehensive file of hotels used by their employees or to have a system of reporting on employees' attitudes to these hotels after staying in them.

The majority of all business travellers interviewed, commented on basic bedroom furniture fittings. They were on the whole satisfied with the comfort and standard of furniture and beds in hotels, except for the size of beds which were often considered too small for comfort. The majority of travellers interviewed were in general found to want a system of central heating and a controlled heat was expected; London hotels in particular were singled out as being too hot and having inadequate ventilation.

As was to be expected the majority of travellers interviewed stated that quietness was a principal requirement of their choice of hotel irrespective of price range.

The majority of travellers also considered that good food was important in this assessment of hotels but the type of food required by travellers varied widely. Many interviewed commented that simple well-cooked food was more important than a varied and ambitious menu. There was particular criticism of the slow service at breakfast time, the difficulty of obtaining an early breakfast and the increasing difficulty of obtaining a meal after 10 pm.

It was difficult to weigh the relative importance of these needs. But it was possible to relate expectations about physical amenities and services to price range. The results are laid out in table 20. Table 20 shows critical users' requirements to be small in fact and at variance with emphasis placed on material services and amenities.

The majority of travellers attached great importance to 'friendliness and courtesy of staff' and 'efficiency in providing small services' such as the efficient relaying of messages and information on the local district. These factors were found to exercise a considerable influence on the choice of hotel and many travellers tried to avoid hotels where unfriendly or inefficient service had been experienced in the past. Conversely, travellers were found frequently to return to hotels where 'good service' had been obtained in the past, irrespective of whether the hotel actually offered the range of specific amenities and service which this type of traveller tended to list in his interview as his normal requirements.

Although in the interviews respondents showed specific material factors as determining the choice of hotel; later research into their private list of hotels

showed clearly that many hotels recorded did not satisfy the basic requirements stipulated in their interview.

Table 20 A summary of services and amenities positively required by the business traveller at various prices

Respondents %	*Price range of hotel*		
	30s to 49s 11d	*50s to 69s 11d*	*70s and over*
70 +	Breakfast (88% English 7% Continental) morning call, morning paper, bar	Breakfast, (78% English 10% Continental) morning call, morning paper, bar	Breakfast, (68% English 20% Continental) room telephone, private bath, morning call, morning paper, bar, restaurant (23% table d'hôte, 48% á la carte, 20% Speciality Grill)
57 – 70	Writing surface in room, garage/parking facilities, central heating, restaurant, (39% table d'hôte, 29% à la carte, 18% Speciality Grill), morning tea in room, public lounge[1], razor socket in room, television room	Morning tea in room, restaurant, (30% table d'hôte, 38% à la carte, 16% Speciality Grill), writing surface in room, central heating, room telephone, garage/parking facilities, public lounge[1], room radio, private bath	Writing surface in room, central heating, room radio, morning tea in room, all-night porter
36 – 50	Room telephone, room radio, all-night porter, writing room	Razor socket in room, all-night porter, television room, shoe cleaning	Razor socket in room garage/parking facilities shoe cleaning, room service, public lounge[1]

Source: Industrial Market Research Ltd.
[1] Public lounge excludes bar facilities.

5 The future business market for hotel services

This forecast is qualitative, not quantitative*. It is basically a projection of present trends. The effect of short-term political factors such as currency restrictions have been omitted.

The general level of demand for business accommodation in hotels in Britain is forecast to grow from approximately 30 million bednights in 1967 to 39 million bednights in 1975 and 46 million bednights in 1980. The total annual average growth rate is expected to be approximately 3½ per cent per annum. Overseas visitors will account for just over a fifth of the total business demand in 1975, compared to a sixth in 1967. They will have been responsible for a third of the total increase in demand for the period 1967 to 1975. By 1980 overseas business travellers will have accounted for almost two-fifths of the total business user increase in demand forecast for the period 1975 to 1980. The estimated future demand is summarised in table 21.

Table 21 The future business demand for hotel† accommodation in Britain

Type of business traveller	*(Bednights-millions rounded) 1967*	*1975*	*1980*	*Annual average growth rate %*
United Kingdom (domestic) business travellers	25.0	31.0	35.6	2¾
Overseas business travellers	5.0	8.0	10.7	6
Total	30.0	39.0	46.3	3½

†Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: IMR International Passenger Survey, (Board of Trade).

The general level of business activity exercises an important influence on the growth of business travel. The recent Government Green Paper, *The Task Ahead, Economic Assessment to 1972,* has estimated growth in production over the period 1968 to 1972 at 3.25 per cent per annum. Similarly, the changing employment structures in industry will have an influence on the demand for business hotel accommodation. This demand is primarily from administrative, technical and commercial personnel. The recent labour enquiries of the Department of Employment and Productivity show that employment in administrative, technical, clerical and commercial occupations has grown by a total of 8.7 per cent between the years 1964 and 1968, and furthermore, that a higher than average rate of growth has been recorded among managers, scientists, technologists and other technicians.

*A quantitative forecast would have involved the building of an econometric model and this was outside the terms of reference.

Price

IMR research indicated that the overall growth of demand will be fastest for the higher-priced category of hotels – those in the 50s to 69s 11d and above 70s categories. The reasons for this would appear to be the growing demand from the two senior job status categories; director executive/managerial, and professional/ consultant occupation categories. These categories would normally expect to be users of hotels in the two higher price ranges. There is also a general upgrading in business user requirements associated with increasing private affluence and a growing reluctance on the part of business travellers to suffer poor conditions in hotels. Lastly, there is the business demand connected with the increase in conference business which again is likely to principally benefit hotels in the upper-price ranges.

Table 22 shows the estimated breakdown of business demand in 1975 by price category of hotel.

Table 22 The estimated future business market for hotel* accommodation in Britain by price range

Price per night	*Bednights 1967 (million)*	*1975*	*Annual average growth per cent*
70s and above	5	8	7
50s to 69s 11d	11	15	4
30s to 49s 11d	13	15	1
Under 30s	1	1	–
	30	39	3½

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.
Note: Totals may not agree with the sum of individual items due to rounding.

The table has been calculated on the basis of the changing pattern of demand by occupation group of traveller and the projection of the distribution of demand by category of hotel within each occupation group.

Location

The majority of business trips are made to industrial and commercial enterprises and any significant change in demand for hotel accommodation by type of location will require a significant change in the location of industrial and commercial activities. Such a change of location will take place slowly and any impact will be felt gradually over the next ten-to-twenty-year period.

Any shift in the location of demand for business accommodation by business travellers will be the result of a relocation of industry and commerce. Government policies towards designated development areas will play an important part in this relocation.

Adjustments in the organisation of UK industry will also have some influence on the demand for business traveller accommodation. It is apparent that an increase in the number of industrial and commercial enterprises with multiple units has been an impetus to the growth of business travel.

Though individual company experience and practice was found to vary, the field research suggested that the development of more intense scientific management practices and sophisticated marketing techniques were acting as a spur to travel. Once again, an important feature was the rapid growth of business conference activity and the growth of company sponsored or privately organised training courses and seminars. The expansion of this latter market in terms of the number of functions is estimated at 10 per cent per annum and is expected to generate the fastest growing sector of demand for hotel accommodation. Company mergers and other kinds of centralisation will increase the hotel requirements of certain business travellers. Also faster travel in comfort, (in particular fast inter-city travel) may act as a spur to increases in business travelling.

On the other hand, the growing reorganisation of sales forces so that sales representatives are permanently domiciled in their sales area has reduced the number of travellers in this category. Further, improved means of postal and telecommunications may work to decrease the number of nights spent away by business travellers.

The business visitor from overseas

Up to 1975 it is estimated that overseas business visits will grow at a rate of 10 per cent per annum. However, nights spent in Britain by overseas visiting business men will grow at the lower rate of 6 per cent per annum due to a decline in the average length of stay from 8 days in 1967 to 6 days in 1975. This forecast is based on the Board of Trade International Passenger Survey for the period 1964 to 1967 which shows that the number of visits made by travellers for business purposes in 1964 totalled 530,000 visits and 704,000 in 1967 (excluding visitors from the Republic of Ireland). This shows an annual average growth over the period 1964 to 1967 of 10 per cent. Over the same period, however, the survey shows that the average length of stay fell from 9 days to 8 days.

Similarly, the concentration of British export activity of the developed countries, in particular Western Europe, for whose business communities there is ease of access and communication with GB, may of itself increase the overseas business travel into Britain. Similarly, the volume of travel may well increase as negotiations for the possible entry into the Common Market by the UK makes entry a more likely prospect.

6 The market for conference/ exhibition facilities in hotels

Business conferences were defined as meetings or conferences (half a day or more) organised by companies or other bodies for reasons primarily connected with business involving at minimum the use of private rooms, other than a bedroom. Conferences held on company or other non-hotel premises but taking meals in hotels were excluded. The supply of conference/exhibitions was defined as the availability of private rooms for hire for conferences and exhibitions, irrespective of the number and size of rooms and the extent to which special equipment or facilities were available.

Industrial Market Research Ltd's research showed that the business conference market is highly complex. The number, sizes and degree of sophistication in terms of equipment of rooms available for conferences and exhibitions was found to vary substantially, both between hotels in different price categories and between those in the same price categories. Further, the terms on which facilities were made available varied between establishments -- some hotels insisted on meals being taken in the hotel as a condition of booking, others let private rooms for conferences without this condition.

Similarly there was considerable variation between users as to the type and size of conference and exhibition and the extent and sophistication of facilities required. Some required only a room for meetings, others meals and/or special facilities such as audio-visual equipment, special telephone switchboards, ante-rooms and private bars.

Conference capacity and demand

Conferences, meetings and exhibitions comprised approximately 58 per cent of the total number of business functions staged in hotels in 1967. Table 23 shows the estimated percentage breakdown of all business functions staged in hotels.

Table 23 Types of business functions held in hotels* 1967

Type of business function	*%*
Conferences, meetings, working parties, conventions	53
Social functions	36
Trade shows and exhibitions	5
Training courses, seminars, staff selection interviews	6
Total	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Approximately 100,000 business meetings and conferences and some 20,000 trade shows, exhibitions and sales were held in British hotels in 1967.

There were significant variations in the average number of business conferences and exhibitions held per establishment when analysed by price range and location type. The highest utilisation of conference/exhibition facilities was found to be in hotels in the 70s and above price category in the larger provincial towns and London. Table 24 shows the average number of business conferences staged in hotels analysed by price range and their type of location.

Table 24 Average number of business conferences per hotel* offering conference facilities in 1967 analysed by price range and location type

	Number of conferences (rounded)				
Price per night	*Towns of over 100,000 population*	*Towns of under 100,000 population*	*Country and rural*	*Seaside resorts*	*London*
70s and above	250	62	50	19	350
50s to 69s 11d	88	56	46	17	170
30s to 49s 11d	35	22	12	6	sample too small to analyse
Under 30s	sample too small to analyse	8	8	4	sample too small to analyse

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

The research found that the majority of the total of 100,000 business conferences were small. It was estimated that only approximately 12,000 meetings/conferences out of 100,000 involved more than 50 persons. Table 25 shows the estimated breakdown of the total number of conferences by size.

Table 25 Distribution of business conferences staged in hotels* by size of conference 1967

Number of people	*No. of conferences*	*%*
Up to 25 persons	59,000	59
26 to 50 persons	29,000	29
51 to 100 persons	10,000	10
More than 100 persons	2,000	2
Total	100,000	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

In addition to being small the majority of business conferences were found to last for only one day or part of a day. Table 26 shows the estimated breakdown by duration of the conference.

Table 26 Distribution of business conferences held in hotels* by duration of conference 1967

Number of days	*No. of conferences*	*%*
Up to 1 day	78,000	78
2 days	11,000	11
3 days	6,000	6
4 days	3,000	3
5 days or more	2,000	2
	100,000	100

*Definition based on the 1964 BOT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Although the quantification of the conference/exhibition market in value terms did not form a major research objective, it is estimated to have been in the order of £10-15 million in 1967 for hotels accruing from sales of function rooms, food, delegate accommodation and other services in connection with conferences and exhibitions. This included expenditure derived from international and national associations as well as business concerns.

The majority of small meetings were held in hotels selected for their proximity to the organisations holding the conference or for their accessibility by persons

attending the conference. Since smaller meetings and conferences were of short duration – generally a day or part of a day – convenience and accessibility were paramount considerations. For these reasons, towns, and London and major provincial towns in particular, had a higher proportion of small conferences and meetings than hotels in seaside and country locations.

The duration of business conferences tends to increase with the size of the conference. The majority of larger conferences – those of 50 delegates or more – were found to have a duration of 3 or more days. Seminars and training courses held in hotels were found to have a longer than average duration.

Exhibitions

The pattern of demand for exhibition facilities was similar to that for conferences. The average number of exhibitions per hotel increased with price category of hotel. In all price ranges – and in the two higher-price categories in particular – hotels in large towns averaged a greater number of exhibitions in the year than those in other locations.

Exhibitions had a substantially longer duration than conferences. Interviews with companies using hotels for exhibitions suggested that more than two-thirds of exhibitions lasted for five or more days – generally a full working week (5 days) or a full calendar week (7 days).

Choice and the facilities required

Hotels were used wherever possible for meetings and conferences attended by senior level personnel and for functions attended by outside visitors – eg press conferences, cocktail parties and trade shows. But companies organising large conferences had found that where special facilities or equipment were required, the range of choice of hotels available to them was limited and often further reduced by the number of delegates to be seated. Many companies also made it a policy to hold social events such as annual staff dinners or dinner dances in hotels.

The principal facilities and amenities required for a major conference were stated to be:

raised platform
lighting controllable from platform
blackboard
display space
public address system and microphones
private telephone switchboard and telephones
projector and screen
tape recorders
telex
simultaneous translation (for international conferences)
closed circuit television (for large conferences held in more than one room)
facilities for accommodating the press

These were often hired by the hotel for the customer, if not part of the hotel's equipment.

Appendix A—The survey methodology

This section is intended to summarise the research method to provide the reader with information on the basis on which the data contained in this report is presented. It is not intended to show the full details of calculations, tests for bias and error, applications of correction factors and so on.

Four separate techniques were used in the field research programme, a postal survey of hotels, personal interviews, a self-completion questionnaire for businessmen and a census occupancy.

1 Postal survey of hotels

The Sample

The sample covered the 16,630 hotels in the UK, on the lists of the Hotel and Catering Industry Training Board. The questionnaires provided by International Market Research were despatched by the Hotel and Catering Industry Training Board in order to maintain confidentiality of the Hotel and Catering Industry Training Board lists. The sample also covered separately the hotels owned by the principal hotel groups in the UK.

The purposes

The purposes were:

To determine the pattern of bed occupancy by month and day of the week.

To determine hotels' estimates of the proportion of bednights occupied by businessmen by month and day of the week.

To provide data on hotel revenue and its division among its main constituents (accommodation, food, drink).

To provide data on the use of hotels for business conferences and exhibitions.

To provide data on the services and amenities currently offered by hotels.

Above data to be classified by geographical region, category of hotel, size of hotels, location type and hotel ownership, as relevant. Data to be used as a means of grossing up to global estimates of the size and structure of the business market for hotel services and amenities.

The response

The response rate was 15 per cent.

For occupancy rates and other variables which could be estimated without 'grossing up' from the sample cross-section data and the returns generally showed strong patterning. They also conformed with data for certain regions already in the possession of Industrial Market Research Ltd. The response was therefore considered to be representative of the totality of hotels in each category.

The cross checks indicated that response was higher from the higher priced, larger and group or brewery owned/operated hotels than other types of establishment. This was particularly evident in London and provincial towns. Within individual regions of GB response was relatively low in the North-West and East Midlands and relatively high in Scotland and the South-West. Adjustments were therefore made for these sources of bias.

For estimates of *market size,* which involved 'grossing up' of the returns obtained, the inaccuracy due to non-response bias may be substantial and its size cannot be accurately estimated statistically. This statistical difficulty is in the nature of the enquiry and would have occurred even if the response rate had been much higher. However, all results have been qualitatively checked in the field after analysis and are believed by hoteliers questioned to be correct within the needs of decision-making.

(For further details see appendix B).

2 Representatives of organisations — personal interviews

The sample

In all, 210 personal interviews were held with companies and organisations generating business travel. A random sample of companies was selected from the Net Assests Register, and a random sample of respondents was chosen from local government, central government and other non commercial/industrial institutions.

The sample thus obtained provided a wide geographic spread of interviews and included companies in all industry groups including retailing and distribution and service 'industries' such as banking, accounting and advertising.

The purpose

The purpose was to provide data on the number of business travellers by type and their frequency of use of hotels, and the role of the company or company personnel other than traveller with respect to:

booking accommodation
choice of hotel
category of hotel used
method of payment of bill
financial restrictions on hotel expenses
attitudes and practice of companies with respect to use of hotels for conferences, exhibitions and similar purposes
attitudes and practices of company with respect to booking accommodation for incoming travellers
information on trends in business travel
data on hotel budget allocation and structure where available

3 Individual business users

The sample

300 personal interviews were held with business users of hotels. The respondents were guests at their hotels, chosen at random and at various times of the day. The hotels were selected on the basis of price range, location types, geographical area and size.

The purpose

The purpose was to provide information in depth on the attitudes, requirements and practices of business travellers with respect to the use of hotels and hotel services and amenities.

The personal interviews with individual users of hotel facilities were distributed as follows by occupation category of respondents. Respondents placed themselves in the occupational category they thought most applicable.

Occupational group	*Number of interviews*
Director	35
Executive/Managerial	72
Professional/Consultant	27
Technical	33
Sales representative	91
Clerical	11
Other non-manual	26
Manual	6
Total	301

A further 45 personal interviews were held with hotel groups and individual hotel managements. The purpose was to provide data on the attitudes and current practices of hotels with respect to the provision of services and amenities; the trends in the provision of services and amenities; and the method of pricing or charging for services.

There were also held 20 personal interviews with other informed sources in a variety of organisations able to provide data on business travel.

Representativeness of samples

In the context of this survey, the personal interviews were designed to cover sufficient respondents within each respondent group to yield a patterning of data which had a reasonable degree of stability and accuracy. They were not designed to comprise statistically accurate samples of the relevant 'populations'. This is an important distinction which characterises the total project. In all cases, weight has been placed on high quality unstructured interviews in depth with individual travellers, companies and hotel managements, rather than large numbers of statistically correct responses. Thus the interviews were designed to uncover important underlying factors governing the attitudes and practices of business users of hotels and suppliers of hotel accommodation.

Reponse to personal interviews

In almost all cases, persons approached, either as individual business travellers or as informed representatives of companies, hotels and hotel groups and other organisations, co-operated fully in the study when requested. Thus, to the personal interviews, response was virtually total.

In order to supply complete data needed for a full analysis of business demand for hotel services and amenities, it was found that further techniques were required. Thus, two further field techniques were employed. These provided additional data of statistical value vital to augment and cross-validate the above methods.

4 Census of occupancy in hotels

The sample

A short questionnaire was constructed, designed to be completed by every person staying in 88 selected hotels over the course of one week. The sample of hotels was drawn from those operated by co-operating hotel groups. The selected hotels were stratified by price range, location type, size and geographical area.

The purpose

The purpose was to provide data on:

The proportion of all guests in hotels who were businessmen as a check on validity of replies to the hotel questionnaire.

The division of business demand into occupational category of business travellers.

The purpose of business travel involving overnight stays in hotels.

Mode of travel used by business users.

Geographic region of origin of business trips.

The sample

This questionnaire was left in rooms of 100 hotels chosen from those operated by co-operating hotel groups. Further, a sample of 500 was chosen from a list comprising businessmen of executive, professional and director levels. A further sample of 500 were taken from the membership of the Commercial Travellers Association. The purpose was to provide statistical data on business travel and the attitudes, requirements and practices of business travellers to augment the personal interviews.

The response

1,274 completed questionnaires were returned.

Occupation category of respondent	*Number of completed questionnaires*
Director	199
Executive/managerial	393
Professional/consultant	238
Technical	121
Sales representative	258
Clerical	15
Other non-manual	15
Manual	5
Others not listed	30
Total	1,274

The response

An analysis was made of completed census questionnaires received from 49 hotels in which more than 30 per cent of guests responded. The census questionnaire was designed to be completed voluntarily by guests in the co-operating hotels. The percentage of guests staying in these hotels during the period of the 'census survey' who completed questionnaires, therefore, varied widely among establishments.

Various tests, specially devised by Industrial Market Research Ltd, were carried out to determine the extent to which the response rate varied with the pattern of demand type of user and with the price range of the hotel. These tests enabled some corrections to be made in the 'census' tabulations.

Appendix B—Grossing up to market size

Estimating the universe structure

The objectives of the survey called for an estimate of the total business demand for hotel accommodation in GB sub-divided as follows by:

location type of hotel (5 divisions)
price range of hotel (4 divisions)
geographical region of hotel (11 divisions)

Grossing theory ideally requires a known universe in terms of number of hotels and bed capacity capable of sub-division, and a representative sample of hotels in each sub-cell giving bed occupancy data.

However there is no one reliable standard known universe, capable of division into the required sub-cells for hotels in GB. The main sources that do exist are:

the 1964 Board of Trade Catering Inquiry
the Hotel and Catering Industry Training Board list

Definition of hotel used by the Board of Trade

The Board of Trade Catering Inquiry 1964 used two overlapping parameters to define hotels. These were:

1 Establishments of all licensed organisations offering residential accommodation provided that 20 per cent of turnover is obtained from the sales of accommodation and meals. This was used primarily to distinguish between public houses and hotels.

2 Licensed establishments offering residential accommodation describing themselves as hotels.

In general, establishments managed for brewery companies were excluded by the Board of Trade from data relating to hotels.

The Catering Inquiry's figures for the number of hotels therefore, covers only licensed establishments; generally excludes brewery hotels; and relies to a great extent on the trader's own description of his establishment in classifying the smaller licensed establishments. They identified 8,823 hotels as falling within this definition.

Note: Unlicensed hotels, boarding houses and other smaller establishments offering residential accommodation were specifically excluded from the 1964 Inquiry.

Definition of hotel used by the training board

The Hotel and Catering Industry Training Board – whose scope covers both licensed and unlicensed establishments lists a total of 16,630 establishments as

'residential' of which 1,677 are part of multiple groups. Of the total number of establishments approximately 10,000 are licensed establishments and 6,500 unlicensed.

Definition used by Industrial Market Research for its universe

Hotel and Catering Industry Training Board figures shows that the Training Board identifies almost 8,000 more establishments than the Board of Trade. However, of these about 6,500 are unlicensed establishments. The figures for licensed hotels are therefore relatively close – nearly 9,000 in the Board of Trade figures and about 10,000 in the Training Board figures. The difference between the two figures is partly explained by the fact that the Training Board lists include certain brewery-owned establishments.

While neither source was entirely satisfactory, the application of a more rigorous set of criteria would have required the registration of hotels or a census type study of the supply of all types of residential accommodation in the UK. Thus for the purposes of market size calculations, in the study, the Board of Trade 'universe' of 8,823 hotels has been used as the basis for estimating the capacity of licensed hotels in the UK, rounded up to 9,000 to allow for net growth in the number of licensed hotels since 1964 and to make some allowance for brewery operated hotels which derived at least 50 per cent of revenue from the sale of accommodation and food.

Structure of the Industrial Market Research universe of hotels

The response rate to the postal questionnaire was 15 per cent; about 5 per cent lower than might normally be expected from a postal questionnaire. This meant that the pattern of response, in terms of price range, location type and geographical region, was likely to be far from representative of the universe, and various steps were taken to eliminate or reduce the biases inherent in the sample.

The following steps were taken to estimate the structure of the universe. Firstly valid responses to the postal survey were distributed to the relevant sub-cells provided by the analysis control factors discussed previously, rejecting responses from unlicensed hotels and brewery-owned establishments taking less than 50 per cent of revenue from the sale of accommodation and food.

Secondly the average bed capacity and the arithmetic average of annual average bed occupancy rates of the responding hotels were calculated for *each sub-cell.*

If the sample response had been truly representative total capacity within each sub-cell could be calculated in the following way:

1 Applying the structure of the sample response (relationship between number of hotels in each sub-cell) to the universe of 9,000 hotels to give the estimated total number of hotels in each sub-cell.

2 Multiplying the estimated total number of hotels in each sub-cell by the average bed capacity of the responding hotels in each sub-cell to give estimated total bed capacity.

However in view of the response rate to the postal survey the sample response could not be assumed to be representative of the universe. Further, such representativeness could not have been statistically guaranteed within comparatively small degrees of confidence, even with a very much higher response rate in the absence of an accurate sampling frame.

Therefore the number and capacity of hotels in each sub-cell 'universe' was estimated by modifying the pattern of sample response in the light of other

independent data, relating to universe structure. This included the following check processes:

Comparison of sample distribution by geographic region with the Board of Trade recorded distribution of establishments by region.

Analysis of individual city, area and regional hotel studies in the possession of Industrial Market Research Ltd, for distribution of hotels and capacity by price range/location type and/or geographic region. While not comprehensive or truly representative, these studies provided a useful guide to the number and extent of sample biases.

Analysis of the distribution of hotels and capacity between the defined sub-cells for the survey, listed in leading national guides.

The sources, while not comprehensive and biased towards the larger and higher-priced hotels, also provided a useful measure of the direction and extent of sample bias.

On the basis of the above measures an adjustment of the structure of the universe was calculated and applied to the universe of 9,000 hotels to provide estimates of the total number of hotels in each analysis sub-cell.

Total hotel capacity within each sub-cell was then calculated by multiplying total number of hotels by the average bed capacity of hotels in the sample. Telephone checks were made of a sample of non-respondents in each sub-cell to check the validity of the sample in relation to average capacity. Total capacities in each sub-cell were then added up to give the estimated bed capacity of the universe.

Calculation of market size

The following calculations were made in respect of the sample of hotels in each sub-cell:

1 The arithmetic average of annual average bed occupancies estimated by each hotel, individual replies being weighted by size of hotel.

2 A similar calculation in respect of the responding hotels estimates of the proportion of total occupancy accounted for by businessmen.

Each sample of hotels (ie responding hotels within each sub-cell) were analysed to show the range of occupancy rates recorded (distribution about the mean). In most cases strong patterning of occupancy rates was observed. Where wide variation about the mean was observed however limited re-contact with non-respondents was made to provide additional information on the pattern of occupancy.

The estimated arithmetic mean of bed occupancy in each sub-cell was then applied to the total estimated capacity in that sub-cell to provide estimates of the level of actual (bednight) demand in each sub-cell. The level of business demand was similarly calculated applying the average percentages of total occupancy accounted for by business travellers to the estimated level of total demand.

It must be emphasised that although every attempt was made to reduce or eliminate bias, calculations of market size were based of necessity on assumptions about the universe structure. Had a known universe capable of sub-division into the relevant sub-cells been available, an accurate sampling frame could have been constructed and adjustments for sample bias positively based on known characteristics of the universe as well as providing an accurate base for quantification.

Appendix C—Monthly patterns of occupancy

Total demand

Table 27 Total demand for hotel* accommodation in 1967 expressed as percentage monthly bedspace occupancy by location type

Location type	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
Towns of over 100,000 population	53	56	57	61	67	68	68	67	69	67	59	52	64
Towns of under 100,000 population	46	49	54	60	68	75	78	77	76	67	54	48	63
Country and rural	19	20	31	44	55	68	74	80	73	44	25	24	47
Seaside resorts	10	11	16	33	57	80	87	89	81	37	14	14	44
London	53	54	64	75	84	86	91	90	87	83	67	60	74

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 28 Total demand for hotel* accommodation in towns over 100,000 population in 1967 expressed as percentage monthly bedspace occupancy by price range

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	44	49	48	55	61	62	63	60	64	61	54	47	56
50s to 69s 11d	51	54	55	59	65	67	68	66	67	66	59	50	61
30s to 49s 11d	57	60	61	64	68	70	69	70	72	71	62	54	65
Under 30s	74	76	78	80	83	83	84	81	84	84	77	71	80

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 29 Total demand for hotel* accommodation in towns of under 100,000 population in 1967 expressed as percentage monthly bedspace occupancy by price range

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	50	55	58	57	74	67	72	68	70	60	51	49	61
50s to 69s 11d	46	49	54	60	66	72	75	72	76	70	56	49	62
30s to 49s 11d	44	47	52	58	66	76	81	80	79	66	52	47	63
Under 30s	50	51	58	64	71	82	82	83	74	64	55	49	65

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 30 Total demand for hotel* accommodation in country and rural areas in 1967 percentage monthly bedspace occupancy by price range

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	20	21	31	49	56	63	61	69	62	45	26	28	44
50s to 69s 11d	37	39	46	54	61	72	71	73	76	65	44	41	57
30s to 49s 11d	20	21	32	44	56	72	79	85	78	45	26	25	49
Under 30s	10	11	18	40	49	56	65	71	56	30	12	13	36

*Definition based on 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 31 Total demand for hotel* accommodation in seaside resorts in 1967 expressed as percentage bedspace occupancy by price range

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	30	33	38	51	57	71	67	70	78	70	46	33	54
50s to 69s 11d	19	21	30	48	64	83	84	90	84	55	21	23	52
30s to 49s 11d	9	10	15	33	58	79	86	87	80	37	14	14	44
Under 30s	7	7	13	25	48	82	94	96	81	25	8	10	41

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 32 Total demand for hotel* accommodation in London in1967 percentage bedspace occupancy by price range

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	57	58	66	74	89	90	90	86	90	88	74	63	77
50s to 69s 11d	54	53	65	75	86	89	93	92	88	85	67	61	76
30s to 49s 11d	49	50	59	73	74	84	90	91	86	80	64	57	71
Under 30s	45	48	56	68	74	86	96	96	94	90	48	38	72

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Business demand

Table 33 Bednights spent by business travellers as a percentage of total available bedspaces in hotels* in 1967 in towns of over 100,000 population

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	38	43	42	43	43	37	34	31	37	46	47	40	40
50s to 69s 11d	45	49	48	50	51	47	46	43	49	55	53	43	48
30s to 49s 11d	45	47	47	48	48	43	40	39	46	52	49	41	46
Under 30s	24	26	27	27	28	29	27	25	27	29	26	22	27

*Definition based on 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 34 Bednights spent by business travellers, as a percentage of total available bedspaces in hotels* in 1967 in towns under 100,000 population

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	36	39	41	37	38	32	30	27	34	38	37	36	35
50s to 69s 11d	33	34	36	37	35	32	29	28	34	38	37	31	34
30s to 49s 11d	30	32	35	36	37	35	34	32	35	39	35	30	34
Under 30s	17	18	18	20	20	20	19	20	19	18	17	17	19

*Definition based on 1964 BoT Catering Inquiry, 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 35 Bednights spent by business travellers, as a percentage of total available bedspaces in hotels* in 1967 in country and rural areas

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and over	7	8	11	16	17	15	10	8	14	15	11	9	12
50s to 69s 11d	28	29	30	33	33	31	30	29	33	33	31	29	31
30s to 49s 11d	12	13	15	16	16	16	15	15	16	16	14	12	15
Under 30s	5	6	7	7	7	6	7	7	7	8	6	5	7

*Definition based on 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 36 Bednights spent by business travellers, as a percentage of total available bedspaces in hotels* in 1967 in seaside resorts

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	5	6	6	9	9	12	10	9	13	15	6	3	9
50s to 69s 11d	12	12	13	14	14	13	11	11	13	15	12	11	13
30s to 49s 11d	4	5	5	6	6	5	5	5	5	6	5	5	5
Under 30s	5	6	6	7	5	5	5	5	7	7	5	5	6

*Definitions based on 1964 BoT Catering Inquiry; 9,000 licensed hotels
Source: Industrial Market Research Ltd.

Table 37 Bednights spent by business travellers, as a percentage of total available bedspaces in hotels* in 1967 in London

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	42	44	46	46	45	36	32	28	43	55	56	45	43
50s to 69s 11d	32	33	35	32	28	25	24	22	33	47	41	35	32
30s to 49s 11d	23	24	25	26	22	21	21	21	26	28	25	22	24
Under 30s	6	7	10	11	10	11	12	12	11	11	8	7	10

*Definition based on 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Business Demand as a proportion of total Demand

Table 38 Towns of over 100,000 population; percentage of total occupied bedspaces in hotels* accounted for by business travellers analysed by price range, 1967

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and over	90	89	88	81	73	62	57	53	61	79	90	88	74
60s to 69s 11d	89	90	88	85	78	71	67	65	71	84	90	87	79
30s to 49s 11d	80	79	78	75	70	62	58	55	65	73	80	76	70
Under 30s	33	35	35	35	35	36	33	32	34	36	35	32	35

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 39 Towns of under 100,000 population; percentage of total occupied bedspaces in hotels* accounted for by business travellers analysed by price range 1967

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	75	75	74	68	54	50	43	42	50	66	76	78	61
50s to 69s 11d	74	73	69	62	54	45	40	40	46	56	68	66	55
30s to 49s 11d	70	69	68	64	57	48	43	40	45	60	68	66	56
Under 30s	37	38	34	33	30	26	24	26	29	31	34	36	31

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 40 Country and rural areas; percentage of total occupied bedspaces in hotels* accounted for by business travellers analysed by price range 1967

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	38	39	36	34	31	24	17	11	22	32	43	33	27
50s to 69s 11d	76	73	65	61	54	43	43	40	44	51	71	70	54
30s to 49s 11d	59	59	46	36	28	22	19	18	21	36	54	49	30
Under 30s	49	53	35	18	15	11	11	11	13	27	48	39	18

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 41 Seaside resorts; percentage of total occupied bedspaces in hotels* accounted for by business travellers analysed by price range 1967

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	18	20	17	19	18	19	17	15	20	24	14	9	18
50s to 69s 11d	62	58	46	30	22	16	14	12	16	28	58	49	25
30s to 49s 11d	43	49	36	19	12	7	6	6	7	18	39	37	13
Under 30s	85	89	47	30	13	8	6	6	10	30	72	57	16

*Definition based on 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Table 42 London; percentage of total occupied bedspaces in hotels* accounted for by business travellers analysed by price range 1967

Price per night	*Jan* %	*Feb* %	*Mar* %	*Apr* %	*May* %	*Jun* %	*Jul* %	*Aug* %	*Sept* %	*Oct* %	*Nov* %	*Dec* %	*Annual average* %
70s and above	74	75	71	62	51	40	36	32	47	63	75	72	56
50s to 69s 11d	59	61	54	43	33	29	26	24	37	55	62	59	43
30s to 49s 11d	48	48	43	35	30	25	24	23	30	35	39	40	33
Under 30s	14	14	18	16	14	13	12	12	12	13	13	14	14

*Definition based on the 1964 BoT Catering Inquiry; 9,000 licensed hotels.
Source: Industrial Market Research Ltd.

Appendix D—Weekly patterns of occupancy

Total demand

Table 43 Weekly patterns of percentage bedspace occupancy in British hotels* analysed by price range and location type 1967 summer and winter

Summer

1 *Towns of over 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	65	74	76	70	45	54	51	62
50s to 69s 11d	76	83	82	76	57	54	45	68
30s to 49s 11d	80	83	82	78	53	49	43	67
Under 30s	89	92	92	77	51	58	37	71

2 *Towns of under 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	80	81	85	85	70	66	64	76
50s to 69s 11d	79	83	82	80	72	67	62	75
30s to 49s 11d	76	82	83	78	67	66	57	73
Under 30s	63	64	64	62	59	57	54	60

3 *Country and rural areas*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	56	73	76	71	64	61	40	63
50s to 69s 11d	70	67	69	58	53	52	47	59
30s to 49s 11d	75	75	76	80	77	72	65	74
Under 30s	71	71	71	72	71	76	71	72

*Definition based on the 1964 BoT Catering Inquiry
Source: Industrial Market Research Ltd.

4 *Seaside resorts*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	78	77	78	74	80	81	80	78
50s to 69s 11d	99	94	95	94	92	83	79	91
30s to 49s 11d	87	87	87	87	85	85	87	86
Under 30s	91	99	99	98	98	96	94	97

5 *London*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	92	96	95	94	91	89	74	91
50s to 69s 11d	95	97	98	96	95	93	90	95
30s to 49s 11d	90	91	91	90	88	88	84	89
Under 30s	92	96	96	96	92	99	99	96

Winter

6 *Towns over 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	58	66	70	65	39	29	27	50
50s to 69s 11d	72	79	79	71	40	32	31	58
30s to 49s 11d	71	75	73	70	37	30	29	55
Under 30s	78	78	78	62	36	31	22	55

7 *Towns of under 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	55	60	61	58	38	36	29	48
50s to 69s 11d	59	66	67	62	42	38	29	52
30s to 49s 11d	54	59	59	51	31	25	23	43
Under 30s	31	31	30	27	27	22	20	27

8 *Country and rural areas*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	40	45	47	42	38	45	23	40
50s to 69s 11d	54	54	59	56	32	31	27	45
30s to 49s 11d	31	32	32	29	26	25	19	28
Under 30s	29	26	26	26	19	19	14	23

9 *Seaside resorts*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	33	34	36	34	27	44	34	34
50s to 69s 11d	46	46	46	45	37	34	18	39
30s to 49s 11d	31	32	34	30	23	21	19	27
Under 30s	35	45	44	28	22	19	16	30

10 *London*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	69	74	79	70	58	51	45	64
50s to 69s 11d	68	74	73	68	59	50	61	65
30s to 49s 11d	56	58	60	59	52	49	47	55
Under 30s	50	59	59	59	59	44	40	53

Table 44 Weekly patterns in the percentage of total bedspaces occupied in UK hotels* in 1967 by business travellers analysed by price range and location type, summer and winter

Summer

1 *Towns of over 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	58	61	59	54	33	19	29	47
50s to 69s 11d	69	72	72	65	36	22	34	57
30s to 49s 11d	62	65	65	60	28	14	17	50
Under 30s	66	67	67	69	51	33	38	59

2 *Towns of under 100,000 population*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	43	46	43	43	22	15	18	34
50s to 69s 11d	47	50	50	48	21	9	12	35
30s to 49s 11d	51	51	50	46	21	12	16	37
Under 30s	32	32	32	28	19	17	18	26

3 *Country and rural areas*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	16	13	14	11	9	7	13	12
50s to 69s 11d	53	51	50	59	25	13	15	40
30s to 49s 11d	21	21	23	20	9	6	5	15
Under 30s	18	18	18	18	6	3	3	12

*Definition based on the 1964 BoT Catering Inquiry
Source: Industrial Market Research Ltd.

4 *Seaside resort*

Price per night	*Mon %*	*Tues %*	*Wed %*	*Thurs %*	*Fri %*	*Sat %*	*Sun %*	*Wkly av %*
70s and above	11	20	19	18	12	1	1	12
50s to 69s 11d	18	20	20	17	4	3	3	13
30s to 49s 11d	6	6	6	5	3	1	1	4
Under 30s	6	7	7	6	3	2	2	5

5 *London*

Price per night	*Mon %*	*Tues %*	*Wed %*	*Thurs %*	*Fri %*	*Sat %*	*Sun %*	*Wkly av %*
70s and above	40	45	44	42	33	22	24	36
50s to 69s 11d	27	33	32	27	14	9	10	22
30s to 49s 11d	26	27	27	27	20	17	19	23
Under 30s	12	20	20	20	17	3	3	13

Winter

6 *Towns over 100,000 population*

Price per night	*Mon %*	*Tues %*	*Wed %*	*Thurs %*	*Fri %*	*Sat %*	*Sun %*	*Wkly av %*
70s and above	86	87	88	87	67	54	66	81
50s to 69s 11d	89	90	89	90	61	48	50	80
30s to 49s 11d	82	82	81	81	57	29	44	73
Under 30s	86	86	85	82	65	42	42	77

7 *Towns of under 100,000 population*

Price per night	*Mon %*	*Tues %*	*Wed %*	*Thurs %*	*Fri %*	*Sat %*	*Sun %*	*Wkly av %*
70s and above	81	81	82	80	43	24	41	67
50s to 69s 11d	73	75	75	72	40	19	23	60
30s to 49s 11d	72	75	74	71	35	22	27	61
Under 30s	60	59	58	53	37	33	36	50

8 *Country and rural areas*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	63	52	52	50	35	19	32	44
50s to 69s 11d	81	80	81	81	39	20	32	66
30s to 49s 11d	66	60	61	52	31	14	18	46
Under 30s	65	63	71	72	17	7	9	49

9 *Seaside resorts*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	22	27	23	21	23	3	4	17
50s to 69s 11d	67	73	73	72	33	10	22	55
30s to 49s 11d	53	51	52	53	27	13	16	41
Under 30s	53	49	47	83	50	14	15	48

10 *London*

Price per night	*Mon* %	*Tues* %	*Wed* %	*Thurs* %	*Fri* %	*Sat* %	*Sun* %	*Wkly av* %
70s and above	84	87	86	87	64	52	54	76
50s to 69s 11d	70	72	71	63	34	14	29	53
30s to 49s 11d	45	47	47	47	37	31	33	42
Under 30s	17	34	34	34	34	32	32	31

Printed in England for Her Majesty's Stationery Office
by McCorquodale Printers Ltd., London.

HM. 3719 Dd. 500355 K32 7/70 McC. 3309.

NATIONAL ECONOMIC DEVELOPMENT OFFICE

HOTELS AND THE BUSINESS TRAVELLER

A study of the use made by the business community during 1967 of British hotel services and amenities

Economic Development Committee for Hotels and Catering

LONDON
HER MAJESTY'S STATIONERY OFFICE 1970

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National Economic Development Office
Millbank Tower
21/41 Millbank
London SW1
01–834 3811
July 1970

SBN 11 700510 X

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Foreword

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The business traveller and his firm are important customers of the hotelier and restaurateur. The level of demand for overnight accommodation from the business traveller is rising and will continue to rise, together with a demand for company receptions and conferences.

It is estimated, the overseas business traveller will account for about a third of the total increase in business demand for accommodation over the period 1967 to 1975.

The purpose of this publication is to set out a few of the basic facts concerning the business traveller, his likes and wants, what sort of service and facilities he requires and how he makes his decision between one establishment and another. It also explores in very general terms the background to the conference and exhibition business in hotels.

This booklet is another example of the co-operation between the industry and its Economic Development Committee. We hope that the information will be of practical use to hoteliers and others and will stimulate interest in this growing market.

Preface

This booklet contains an edited report of a study commissioned by the Economic Development Committee for Hotels and Catering and carried out by Industrial Market Research Ltd.

The Hotel and Catering Little Neddy was set up in June 1966 with the following terms of reference:

'Within the context of the work of the National Economic Development Council and in accordance with such working arrangements as may be determined from time to time between the Council and the Committee to:

1 Examine the economic performance, prospects and plans of the industry, and assess from time to time the industry's progress in its relations to the national growth objectives and provide information and forecasts to the NEDC on these matters:

2 Consider ways of improving the industry's economic performance, competitive power and efficiency and formulate reports and recommendations on these matters as appropriate.'

These terms of reference are common to all Economic Development Committees. As with other EDCs, the membership of the Hotel and Catering Little Neddy includes employers, trade union representatives and representatives of government departments. The EDC also has three independent members.

The Hotel and Catering EDC believes that the industry has an important role to perform in meeting the needs of the nation's business community. The Hotel and Catering Little Neddy was concerned that there was very little information available about the demand for hotel services and amenities from this important sector of the hotels market so they commissioned Industrial Market Research Ltd to conduct a qualitative survey of the British business man's demands for hotel services and amenities and his needs, preferences and expectations. The findings of this survey are contained in sections 2, 3, 4 and 5 of this booklet and in appendices C and D. The methodology is described in appendix A.

The EDC is aware of the great difficulty of obtaining an accurate picture of total business demand for accomodation in hotels in GB. This is aggravated by the absence of a national register of hotels, which would contain information on the number of hotel bedspaces in GB and where they are located, from which a sample could be drawn to investigate business demand. Nevertheless investment decisions are being taken and will continue to be taken. The better our information on the structure of demand for hotel accommodation by type of location, price and region the more successful will be the use of economic resources invested in hotels.

So despite the difficulties Industrial Market Research were also commissioned to assess total demand for hotel accommodation by type of user; and to break down business demand by price, type of location and economic planning region. This they have done and the EDC is satisfied that the estimated structure of demand is the most accurate to date and can be taken to be a good guide to the nature of hotel capacity business demand for hotel accommodation in GB.